NEW ISSUE – BOOK ENTRY ONLY

Ratings: Fitch: AA+
Moody's: Aa2
Standard & Poor's: AA
(See "Ratings" Page I-9)

$214,000,000
The Metropolitan Government of Nashville and Davidson County (Tennessee)
General Obligation Bonds, Series 2005C

Dated: Date of Delivery **Due: February 1, as shown on the inside cover**

We prepared this Official Statement to provide you with information about the Bonds. This cover page is only a general summary. You must read this entire Official Statement to obtain essential information for making an informed investment decision.

Purpose	We will use the proceeds of the General Obligation Bonds, Series 2005C (the "Bonds") to retire $150,000,000 of Commercial Paper, to finance general governmental projects totaling approximately $72,000,000 and to pay costs of issuance related to the Bonds. *See page I-6.*
Security	We pledge our full faith, credit and taxing power (general obligation) to repay the Bonds. We are not restricted from issuing additional general obligation bonds. *See page I-6.*
Tax Exemption	Bond interest is excluded from gross income, and is not an item of tax preference, for federal income tax purposes. Bond interest is free from Tennessee taxes, with certain exceptions. *See page I-11.*
Interest Payment Dates	February 1 and August 1, beginning February 1, 2006
Redemption	Bonds maturing on or after February 1, 2016 are callable at par at any time in any amount on or after February 1, 2015. *See page I-7.*
Registration and Paying Agent	Deutsche Bank National Trust Company
Denominations	Multiples of $5,000
Book-Entry Only Form	The Depository Trust Company. *See page I-7.*
Delivery Date	On or about November 1, 2005.
Issuer Contact	Metropolitan Government Office of the Treasurer: (615) 862-6210
Bond Counsel	Bass, Berry & Sims PLC, Nashville, Tennessee.
Financial Advisor	Public Financial Management, Inc.

The Bonds were sold at a competitive sale on October 18, 2005. The interest rates we pay resulted from the award of the Bonds and are shown inside the cover.

October 18, 2005

The Metropolitan Government of Nashville and Davidson County (Tennessee)

$214,000,000 General Obligation Bonds, Series 2005C

Maturity (February 1)	Principal Amount	Interest Rate	Yield	CUSIP
2007	$ 6,545,000	5.000%	3.050%	592112AA4
2008	6,875,000	5.000	3.160	592112AB2
2009	7,215,000	5.000	3.290	592112AC0
2010	7,580,000	3.625	3.420	592112AD8
2011	7,855,000	5.000	3.560	592112AE6
2012	8,245,000	5.000	3.670	592112AF3
2013	8,660,000	5.000	3.750	592112AG1
2014	9,090,000	5.000	3.850	592112AH9
2015	9,545,000	5.000	3.960	592112AJ5
2016	10,025,000	5.000	4.000*	592112AK2
2017	10,525,000	5.000	4.050*	592112AL0
2018	11,050,000	5.000	4.100*	592112AM8
2019	11,600,000	5.000	4.140*	592112AN6
2020	12,180,000	5.000	4.180*	592112AP1
2021	12,790,000	5.000	4.220*	592112AQ9
2022	13,430,000	5.000	4.250*	592112AR7
2023	14,105,000	5.000	4.280*	592112AS5
2024	14,810,000	5.000	4.320*	592112AT3
2025	15,550,000	5.000	4.360*	592112AU0
2026	16,325,000	4.375	4.500	592112AV8

* Priced to call date of February 1, 2015.

SOURCES AND USES OF FUNDS

We anticipate the proceeds of the Bonds to be used as follows:

Sources

Bond Par Amount	$ 214,000,000.00
Net Premium	11,520,580.50
Total Sources	$ 225,520,580.50

Uses

Retirement of Commercial Paper and Commercial Paper Interest (1)	$ 152,733,728.00
Deposit to Construction Fund	71,895,330.30
Costs of Issuance	325,000.00
Purchaser's Discount	566,522.20
Total Uses	$ 225,520,580.50

(1) Includes commercial paper principal of $150,000,000 and interest of $2,733,728.

No Unlawful Offers. This document is the "official" statement – that is, it contains the only authorized information about the offering of the Bonds. This official statement does not constitute an offer to sell, or the solicitation of an offer to buy, the Bonds in any jurisdiction where that would be unlawful. We have not authorized any dealer, salesperson or anyone else to give any information or make any representation in connection with the offering of the Bonds. You should not rely on any such information or representation.

Not a Contract; Not Investment Advice. This official statement is not a contract, and provides no investment advice. You should consult your financial advisor and legal counsel with your questions about this official statement and the Bonds, or anything else related to this issue of bonds.

No Guarantee of Information. We have provided this information or obtained it from other sources believed to be reliable. We do not, however, guarantee the accuracy or completeness of that information, nor has any one source guaranteed the information provided by any other source. Information and expressions of opinion are subject to change without notice, and you should not draw any implication that there have been no changes since the date of this official statement. The delivery of this official statement or any sale made under this official statement shall not, under any circumstances, create any implication that there has been no change in our affairs or in any other matters described.

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GOVERNMENT OFFICIALS

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY (TENNESSEE)

The Honorable Bill Purcell
Metropolitan Mayor

The Honorable Howard Gentry, Jr.
Vice Mayor
President of the Metropolitan Council

David L. Manning
Director of Finance

Karl F. Dean
Director of Law

Celia A. Yancey
Metropolitan Treasurer

Kim McDoniel
Assistant Director of Finance

Marilyn S. Swing
Metropolitan Clerk

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
FINANCIAL SUMMARIES

SUMMARY OF GENERAL FUND, FISCAL YEARS 2001-2005
(in thousands of dollars)

	2005 [1]	2004	2003	2002	2001 [2]
Beginning Fund Balance	$ 36,186	$ 79,105	$ 109,488	$ 109,488	$ 57,970
Revenues	654,663	630,277	642,518	642,518	558,415
Expenditures	(655,105)	(639,586)	(608,877)	(608,877)	(466,569)
Other Financing Sources (Uses)	-	(33,610)	(64,024)	(64,024)	(82,834)
Total Accounting Adjustments and Other Changes	-	-	-	-	91
Ending Fund Balance	35,744	36,186	79,105	79,105	67,073
Fund Unreserved Fund Balance	33,736	33,818	31,160	31,160	35,472

[1] Unaudited
[2] For fiscal year 2001, Beginning Fund Balance was restated due to GASB 33.

UNAUDITED GENERAL FUND RESULTS, FISCAL YEAR 2005

	Combined General Fund		
	Budgeted	Actual	Difference
Revenues	$ 654,574,100	$ 654,662,597	$ 88,497
Expenditures	658,092,983	655,104,811	(2,988,172)
Fund Balance Draw	$ (3,518,883)	$ (442,214)	$ 3,076,669

Source: Metropolitan Government Department of Finance

UNAUDITED CHANGE IN FUND BALANCE BETWEEN FY2004 & FY2005

		Fund Balance
June 30, 2004 Undesignated FB		$ 33,817,982
Change in Reserves in FB		359,967
Reserve for FY05 Budget	$ -	
FY05 Excess Revenue over Expenditures	(442,214)	
		(442,214)
June 30, 2004 Undesignated Fund Balance		$ 33,735,735
Reserve for Subsequent Year Budget (FY05)	-	
		-
June 30, 2005 Undesignated Fund Balance (after reserve for 2005 budget)		$ 33,735,735

Source: Metropolitan Government Department of Finance

OFFICIAL STATEMENT

$214,000,000
THE METROPOLITAN GOVERNMENT
OF NASHVILLE AND DAVIDSON COUNTY (Tennessee)

General Obligation Bonds, Series 2005C

INTRODUCTION

This Official Statement informs you about the Bonds. The Bonds are authorized by state law (Title 9, Chapter 21 of Tennessee Code Annotated), the Charter of the Metropolitan Government of Nashville and Davidson County, and a bond resolution adopted by the Metropolitan Council on September 20, 2005.

We compiled all financial and other information presented in this official statement from our records, except for information expressly attributed to other sources. We show recent historical information. We do not mean for this information to indicate future or continuing trends in our financial position or other affairs, unless we specifically state so.

You should consider the entire official statement in making an investment decision, and should not consider information more or less important because of its location. You should refer to laws, reports or other documents described in this official statement for more complete information. You may request information regarding this official statement from Celia A. Yancey, Metropolitan Treasurer, 222 Third Avenue North, Suite 110, Nashville, Tennessee 37201, (615/862-6210).

THE BONDS

General

The General Obligation Bonds, Series 2005C (the "Bonds") are being offered to retire $150,000,000 of Commercial Paper issued to fund various projects and to provide approximately $72,000,000 to finance general governmental projects.

We list the maturity dates, amounts and interest rates for the Bonds on the inside front cover. The Bonds are issued as fully registered bonds without coupons in principal denominations of $5,000 or multiples of $5,000. The Bonds will be dated as of their delivery date, and will bear interest from that date payable as shown on the cover.

Interest on the Bonds will be computed on the basis of a 30-day month and a 360-day year. The DTC's (Depository Trust Company's) Book-Entry Only System will apply to all Bonds. Bond payments will go to DTC, and DTC will then be responsible to remit the payments to its participants and bond owners. While the Book-Entry Only System applies to the Bonds, Cede & Co. (DTC's nominee) is the sole registered owner of all of the Bonds, all interest payments will go to DTC by wire transfer of immediately available funds and DTC's Participants will be responsible for the payment of interest to bond owners. For more detailed information regarding DTC and the Book-Entry Only System see "THE BONDS – Book-Entry-Only Form".

Security

The Bonds are our direct and general obligations. Our full faith, credit and taxing power are irrevocably pledged to make principal and interest payments. The Bonds are payable equally with all our other outstanding general obligations, and we are not restricted from the issuance of additional general obligation bonds.

Every four years, the Assessor's Office – as required by Tennessee state law – conducts a reappraisal of the value of all property in Nashville and Davidson County. This is done to periodically adjust recorded property assessments to generally reflected market values. The most recent reappraisal was completed in 2005.

State law also requires that this reappraisal be revenue neutral for the local governments. This means that as the aggregated value of property changes, the tax rate needs to change as well to ensure that the local government receives the same amount of revenue. So if the property in the Metropolitan Government collectively increases in value, the actual property tax rate needs to drop so that the revenue collected remains the same. The 2005 reappraisal showed an increase in aggregate property values, so to remain revenue neutral the certified combined GSD/USD tax rate is projected to drop to $3.98 from its pre-assessment level of $4.58.

Subsequent to the 2005 reappraisal, we raised the combined GSD/USD rate to $4.69. The FY 2006 budget anticipates continued moderate growth in property assessments.

FY 2006 Property Tax Distribution
(Rates per $100 of Assessed Value)

District	Fund	2005 Rate*	2006 Rate
GSD (General Services District)	General	$1.94	$2.00
	Schools General Purpose	1.27	1.33
	General Debt Service	0.43	0.54
	Schools Debt Service	0.20	0.17
	Subtotal - GSD	$3.84	$4.04
USD (Urban Services District)	General	$0.64	0.56
	General Debt Service	0.10	0.09
	Subtotal - USD	$0.74	$0.65
Combined USD/GSD rate		$4.58	$ 4.69

* Pre-reappraisal.

Redemption Provisions

Optional Redemption

We may opt to redeem Bonds maturing on or after February 1, 2016 in whole or in part at any time on or after February 1, 2015 at a redemption price equal to par, plus accrued interest to the redemption date. If we redeem only part of the Bonds of a given maturity, DTC, as the securities depository, will randomly select those Bonds according to their policies and procedures.

Redemption Notices

So long as the Bonds remain in book-entry-only form, any redemption notice will be sent to DTC between 30 and 45 days before the redemption date. A redemption of Bonds is valid and effective even if DTC's procedures for notice fail to give you notice directly. You might consider arranging to receive redemption notices or other communications to DTC affecting you, including notice of interest payments through DTC participants. Please note that all redemptions are final – even if you did not receive your notice, and even if your notice had a defect.

Interest on any Bond called for redemption will cease to accrue on the redemption date so long as the Bond is paid or money is provided for its payment.

Book-Entry-Only Form

DTC will act as securities depository for the Bonds. The Registration and Paying Agent will register all Bonds in the name of Cede & Co. (DTC's partnership nominee). DTC will receive one registered certificate for each maturity.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the same law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds securities that its participants ("Direct Participants") deposit with DTC. DTC also facilitates the settlement among Direct Participants of securities transactions, such as transfer and pledges, in deposited securities through electronic computerized book-entry changes in Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates.

Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The rules applicable to DTC and the Participants—that is, its Direct and Indirect Participants—are on file with the Securities and Exchange Commission.

Purchases of the Bonds under the DTC System must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. A Beneficial Owner will not receive a written confirmation from DTC of a purchase, but a Beneficial Owner is expected to receive a written confirmation providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which the Beneficial Owner entered into the transaction.

Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To make the system work more smoothly, all Bonds deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. This does not affect the beneficial ownership of any Bond. DTC has no idea who the Beneficial Owners of the Bonds are; its records show only the identity of the Direct Participants to whose accounts the Bonds are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

So long as Cede & Co. is the registered owner of the Bonds, as nominee for DTC, references to the Bond owners means Cede & Co. and not the Beneficial Owners.

Notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any legal requirements.

The Registration and Paying Agent will send redemption notices to Cede & Co. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to the Bonds. Under its usual procedures, DTC mails an Omnibus Proxy to Direct Participants as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants.

We will make principal and interest payments on the Bonds to DTC. DTC's practice is to credit Direct Participants' accounts on the payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the payable date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of the Participant and not of the Metropolitan Government, the Registration and Paying Agent or DTC, subject to any legal requirements. We are responsible for sending payments to the Registration and Paying Agent, and the Registration and Paying Agent is responsible for sending payments to DTC. DTC is responsible for disbursing those payments to Direct Participants. Both Direct and Indirect Participants are responsible for disbursing those payments to the Beneficial Owners.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to us. Under such circumstances, in the event that a successor securities depository is not obtained, bond certificates are required to be printed and delivered at our expense.

We may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). If that happens, bond certificates will be printed and delivered at our expense.

The information in this section about DTC and DTC's book-entry system has been obtained from DTC; we take no responsibility for its accuracy.

No one can give any assurance that DTC, Direct Participants, or Indirect Participants will promptly transfer payments or notices received with respect to the Bonds. We are not responsible for the failure of DTC, Direct Participants, or Indirect Participants to transfer to the Beneficial Owner payments or notices received with respect to the Bonds.

No one can give any assurance that DTC will abide by its procedures or that its procedures will not be changed. In the event that we designate a successor securities depository, the successor may establish different procedures.

Ratings

At our request, several rating agencies have assigned a rating to the Bonds:

Ratings	Rating Agency
AA+	Fitch Ratings
Aa2	Moody's Investors Service, Inc.
AA	Standard & Poor's Ratings Services

Any explanation of what a rating means may only be obtained from the rating service giving the rating. No one can offer any assurance that a rating given to the Bonds will be maintained for any period of time; a rating agency may lower or withdraw the rating it gives if in its judgment circumstances so warrant. Any downgrade or withdrawal of a rating may adversely affect the market price of the bonds.

Defeasance

We may "defease" the Bonds – that is, we may discharge our obligations with respect to the Bonds by depositing with the Registration and Paying Agent or other trust company or financial institution cash or "Defeasance Investments" sufficient to provide for the payment of principal, premium if any, and interest on the Bonds when due. "Defeasance Investments" includes direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, or any of its agency; obligations of any agency or instrumentality of the United States; and any other obligations which at the time of the purchase thereof are permitted defeasance investments under Tennessee law.

If we defease any of the Bonds as described above, then the registered owners of the Bonds will be entitled only to payment out of the money or Defeasance Investments deposited for that purpose.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
COMBINED GENERAL OBLIGATION BOND DEBT SERVICE SCHEDULE
(As of June 30, 2005)

Fiscal Year Ending June 30	Outstanding Debt [1] Principal	Outstanding Debt [1] Interest	Outstanding Debt [1] Total	(Plus) The Bonds Principal	(Plus) The Bonds Interest	(Plus) The Bonds Total	Outstanding Debt After This Issue Principal	Outstanding Debt After This Issue Interest	Outstanding Debt After This Issue Total	% Principal Retired
2005	$ 44,870,000	$ 26,257,368	$ 71,127,368	$ -	$ -	$ -	$ 44,870,000	$ 26,257,368	$ 71,127,368	2.90%
2006	97,495,000	57,730,555	155,225,555	-	2,623,436	2,623,436	97,495,000	60,353,991	157,848,991	9.21%
2007	87,260,000	58,257,221	145,517,221	6,545,000	10,493,744	17,038,744	93,805,000	68,750,964	162,555,964	15.27%
2008	79,810,000	54,190,459	134,000,459	6,875,000	10,166,494	17,041,494	86,685,000	64,356,953	151,041,953	20.88%
2009	69,955,000	50,253,740	120,208,740	7,215,000	9,822,744	17,037,744	77,170,000	60,076,484	137,246,484	25.87%
2010	69,500,000	46,787,115	116,287,115	7,580,000	9,461,994	17,041,994	77,080,000	56,249,109	133,329,109	30.85%
2011	69,640,000	43,262,208	112,902,208	7,855,000	9,187,219	17,042,219	77,495,000	52,449,426	129,944,426	35.86%
2012	63,710,000	40,212,035	103,922,035	8,245,000	8,794,469	17,039,469	71,955,000	49,006,504	120,961,504	40.51%
2013	63,550,000	37,092,411	100,642,411	8,660,000	8,382,219	17,042,219	72,210,000	45,474,630	117,684,630	45.18%
2014	63,190,000	33,968,580	97,158,580	9,090,000	7,949,219	17,039,219	72,280,000	41,917,799	114,197,799	49.86%
2015	65,110,000	30,768,913	95,878,913	9,545,000	7,494,719	17,039,719	74,655,000	38,263,631	112,918,631	54.68%
2016	71,780,000	27,582,750	99,362,750	10,025,000	7,017,469	17,042,469	81,805,000	34,600,219	116,405,219	59.97%
2017	68,075,000	24,033,250	92,108,250	10,525,000	6,516,219	17,041,219	78,600,000	30,549,469	109,149,469	65.06%
2018	50,945,000	21,071,788	72,016,788	11,050,000	5,989,969	17,039,969	61,995,000	27,061,756	89,056,756	69.07%
2019	50,730,000	18,537,056	69,267,056	11,600,000	5,437,469	17,037,469	62,330,000	23,974,525	86,304,525	73.10%
2020	36,180,000	15,938,794	52,118,794	12,180,000	4,857,469	17,037,469	48,360,000	20,796,263	69,156,263	76.22%
2021	46,260,000	13,857,300	60,117,300	12,790,000	4,248,469	17,038,469	59,050,000	18,105,769	77,155,769	80.04%
2022	48,690,000	11,535,941	60,225,941	13,430,000	3,608,969	17,038,969	62,120,000	15,144,909	77,264,909	84.06%
2023	51,195,000	9,055,403	60,250,403	14,105,000	2,937,469	17,042,469	65,300,000	11,992,872	77,292,872	88.28%
2024	52,440,000	6,455,341	58,895,341	14,810,000	2,232,219	17,042,219	67,250,000	8,687,559	75,937,559	92.63%
2025	41,090,000	3,811,981	44,901,981	15,550,000	1,491,719	17,041,719	56,640,000	5,303,700	61,943,700	96.29%
2026	13,090,000	1,960,600	15,050,600	16,325,000	714,219	17,039,219	29,415,000	2,674,819	32,089,819	98.19%
2027	8,500,000	1,235,941	9,735,941			-	8,500,000	1,235,941	9,735,941	98.74%
2028	8,935,000	783,247	9,718,247			-	8,935,000	783,247	9,718,247	99.32%
2029	5,115,000	416,981	5,531,981			-	5,115,000	416,981	5,531,981	99.65%
2030	5,385,000	141,356	5,526,356			-	5,385,000	141,356	5,526,356	100.00%
						-				
	$ 1,332,500,000	$ 635,198,332	$ 1,967,698,332	$ 214,000,000	$ 129,427,911	$ 343,427,911	$ 1,546,500,000	$ 764,626,243	$ 2,311,126,243	

[1] Excludes $66,700,000 initial aggregate principal of the Metropolitan Government of Nashville and Davidson County (Tennessee), District Energy System Revenue Bonds, 2002 Series A, which is subject to annual appropriation, and approximately $50 million of commercial paper which will be outstanding after this issuance.

ADDITIONAL BORROWING PLANS

We have completed our budgeting process and have reviewed our capital program for the next five years. We anticipate issuing between $150 to $200 million of additional debt annually. We anticipate financing these projects, during construction, through our commercial paper program and ultimately through long-term general obligation debt.

On May 4, 2004, we entered into an interest rate hedging agreement for our General Obligation Multi-Purpose Bonds, Series 1996 (the "Series 1996 Bonds") with SunTrust Bank as hedge counterparty. SunTrust paid $3,800,000 for the option to exercise the interest rate swap on May 15, 2006, which is the first possible call date on the Series 1996 Bonds. Under the swap, we will receive variable rate payments and make fixed rate payments (at a rate equal to the rate on the Series 1996 Bonds). Payments will be based on an estimated amount that will equal the outstanding principal balance of the Series 1996 Bonds. If SunTrust exercises its option, we will simultaneously issue variable rate refunding bonds and use the proceeds to refund the Series 1996 Bonds.

LITIGATION AND OTHER PROCEEDINGS

There is no pending litigation concerning the Bonds, and there is no pending litigation challenging any financing made from the proceeds of any previously-issued bonds.

CONTINUING DISCLOSURE

We have agreed to provide an annual report presenting certain financial information and operating data about the Metropolitan Government ("Annual Report") as shown in Appendix D. By March 31 of each year, we will send the report to each nationally recognized municipal securities information repository ("NRMSIR") and to any state information depository ("SID"). We will also provide notices of the occurrence of certain events specified in the undertaking to each NRMSIR, or the Municipal Securities Rulemaking Board ("MSRB"), and to any SID. As of the date of this official statement, no SID has been established. Part I of the 2004 Annual Report, which contains information on the undertaking, is included by reference as part of this Official Statement.

Copies of the Annual Reports and notices are posted on the Investor Relations page of the Metropolitan Government's website (www.nashville.gov/finance/investor_relations.asp) and may be obtained from:

Metropolitan Government of Nashville and Davidson County
Office of the Treasurer
222 Third Avenue North, Suite 110
Nashville, Tennessee 37201
(615) 862-6210

The undertaking also describes the consequences if we fail to provide any required information. We must report the failure to the NRMSIRs, or the MSRB, and to any SID. In the last five years, we have not failed to comply in any material respect with this or any similar undertaking.

TAX EXEMPTION

Federal Taxes

In the opinion of Bond Counsel, under existing law, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on all taxpayers. For purposes of computing the alternative minimum tax imposed on certain corporations, however, interest on the Bonds is taken into account in determining adjusted current earnings. We must comply with all requirements of the Federal Tax Code that must be satisfied after the Bonds are issued for interest to be, or continue to be, excluded from gross income for federal income tax purposes. We have promised to comply with those requirements. Our failure to do so may cause interest to be included in gross income for federal income tax purposes, perhaps even starting from the date the Bonds were issued. Bond Counsel expresses no opinion about other federal tax consequences arising regarding the Bonds. The proceedings authorizing the Bonds do not provide for an increase in interest rates or a redemption of the Bonds in the event of taxability.

You should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry the Bonds. Bond Counsel will not express any opinion as to such collateral tax consequences. You should consult their tax advisors as to collateral federal income tax consequences.

The initial public offering prices of the Bonds maturing February 1, 2026 are less than the amount payable on these bonds at maturity (the "Discount Bonds"). An amount not less than the difference between the initial public offering price of the Discount Bonds and the amount payable at maturity constitutes "original issue discount," which will be excludable from gross income for federal income tax purposes. A portion of the original issue discount that accrues in each year to an owner of a Discount Bond that is a corporation will be included in the calculation of the corporation's alternative minimum tax liability. Consequently, corporate owners of the Discount Bonds should be aware that the accrual of original issue discount in each year may result in an alternative minimum tax liability although the owners of such Discount Bonds have not received cash attributable to such original issue discount in such year.

The initial public offering prices of the Bonds maturing February 1, 2007 through February 1, 2025, inclusive, are greater than the amount payable on these bonds at maturity (the "Premium Bonds"). The difference between (a) the amount payable at maturity of the Premium Bonds and (b) the initial offering price to the public (excluding Bond houses and brokers) at which a substantial amount of the Premium Bonds of such maturities are sold, will constitute the "original issue premium." Under certain circumstances, as a result of the tax cost reduction requirements of the Federal Tax Code relating to the amortization of bond premium, the owner of a Premium Bond may realize a taxable gain upon its disposition even though the Premium Bond is sold or redeemed for an amount not greater than the owner's original acquisition cost.

Owners of Discount Bonds and Premium Bonds should consult their personal tax advisors with respect to the determination for federal income tax purposes of the amount of original issue discount or interest properly accruable with respect to such Discount Bonds or Premium Bonds, other tax consequences of owning Discount Bonds and Premium Bonds, and with respect to the State of Tennessee and local tax consequences of holding such Discount Bonds and Premium Bonds. The prices set forth on the inside cover page of the Official Statement may or may not reflect the prices at which a substantial amount of the Bonds were ultimately sold to the public.

State of Tennessee

Under existing law, the Bonds and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) inheritance, transfer and estate taxes, (b) Tennessee excise taxes on interest on the Bonds during the period the Bonds are held or beneficially owned by any organization or entity, or other than a sole proprietorship or general partnership doing business in the State of Tennessee, and (c) Tennessee franchise taxes by reason of the inclusion of the book of the value of the Bonds in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

APPROVAL OF LEGAL PROCEEDINGS

All legal matters incident to the authorization and issuance of the Bonds are subject to the approval of Bass, Berry & Sims PLC, Nashville, Tennessee, Bond Counsel, whose approving opinion in substantially the form attached hereto as Appendix B will be delivered with the Bonds. Certain legal matters with respect to the Metropolitan Government will be passed upon by Karl Dean, Director of Law.

UNDERWRITING

The Bonds were sold through competitive bidding on October 18, 2005 to an underwriting syndicate headed by Banc of America Securities LLC at a price of $224,954,058.30 (which is equal to the par amount of the Bonds plus net premium of $11,520,580.50 and less underwriting discount of $566,522.20).

FINANCIAL ADVISOR

In its role as our financial advisor, Public Financial Management, Inc., has provided advice on the plan of financing and structure of the Bonds, reviewed certain legal and disclosure documents – including this official statement for financial matters – and reviewed the pricing of the Bonds. The financial advisor has not independently verified the factual information contained in this official statement, but has relied on the information supplied by us and other sources.

INDEPENDENT AUDITORS

Our general purpose financial statements as of the fiscal year ended June 30, 2004 are included in Appendix A and have been audited by KPMG LLP, independent auditors, as stated in their report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY (TENNESSEE)

/s/ Bill Purcell
Metropolitan Mayor

/s/ David L. Manning
Director of Finance

PART II

YEARLY INFORMATION STATEMENT

YEARLY INFORMATION STATEMENT

The Yearly Information Statement of the Metropolitan Government, including selected statistical and economic data, for the fiscal year ended June 30, 2004 has been posted on our website at **www.nashville.gov/finance/investor_relations.asp** and is included as Part II of this Official Statement.

Only the following items, each of which has been posted on the website referenced above, are described above and incorporated herein by reference:

- **THE METROPOLITAN GOVERNMENT**
  - **Organization**
  - **Fiscal Year**
  - **Budgeting Procedures**
    - Operating Budget
    - Capital Improvements Budget
    - Capital Projects Planning
  - **Accounting**
  - **Revenues**
- **PROPERTY TAXES**
  - **Rates of Tax Levy**
    - Analysis of the Composition of Rates of Tax Levy
    - Analysis of Original (Including Supplemental) Assessment of All Taxable Property
  - **Tax Collection**
    - Analysis of Tax Levies and Collection – Ten Year Summary
    - Schedule of Delinquent Property Taxes Receivable – by Type
  - **Principal Taxpayers**
    - Principal Taxpayers
- **FIVE YEAR SUMMARIES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**
    - General Fund
    - Special Revenue Funds
    - Debt Service Funds
- **COMPUTATION OF NET GENERAL OBLIGATION DEBT**
- **DEBT RATIOS**
- **CALCULATION OF SELF-SUPPORTING DEBT**
  - **Historical Debt Ratios**
    - Historical Debt Ratios – Ten Year Summary
    - Total Debt Service Secured by ad Valorem Taxes
- **INVESTMENT POLICY**
- **MASS TRANSIT EXPENDITURES**
- **DISTRICT ENERGY SYSTEM OVERVIEW**

APPENDIX A

GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE

YEAR ENDED

JUNE 30, 2004

GENERAL PURPOSE FINANCIAL STATEMENTS

Audited Financial Statements of the Metropolitan Government of Nashville and Davidson County (Tennessee) ("the Metropolitan Government") and supplementary information as of and for the fiscal year ending June 30, 2004 together with the independent auditors' report from KPMG LLP (1) have been filed with each nationally recognized municipal securities information repository, as described herein under "Continuing Disclosure", and may be obtained from them in accordance with their respective procedures, (2) are available through the website of the Metropolitan Government's Department of Finance at **www.nashville.gov/finance/investor_relations.asp** , and (3) are included as part of this Appendix A. To the extent there are any differences between the electronically posted financial statements of the Metropolitan Government and the printed financial statements of the Metropolitan Government, the printed version shall control.

Only the following items, each of which has been posted on the website referenced above, are described above and incorporated herein by reference:

For the Year Ended June 30, 2004

- Independent Auditor's Report, dated October 31, 2004
- Management's Discussion and Analysis
- Statement of Net Assets
- Statement of Activities
- Balance Sheet, Governmental Funds
- Reconciliation of the Balance Sheet to the Statement of Net Assets, Governmental Funds
- Statement of Revenues, Expenditures, and Changes in Fund Balance, Governmental Funds
- Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
- Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual, General Fund
- Statement of Revenues, Expenditures, Encumbrances and Changes in Fund Balances – Budget and Actual, Budgetary Basis (Non-GAAP), General Purpose School Fund
- Statement of Net Assets, Proprietary Funds
- Statement of Revenues, Expenses and Changes in Fund Net Assets, Proprietary Funds
- Statement of Cash Flows, Proprietary Funds
- Statement of Fiduciary Net Assets, Fiduciary Funds
- Statement of Changes in Fiduciary Net Assets, Fiduciary Funds
- Statement of Net Assets, Component Units
- Statement of Activities, Component Units
- Notes to the Financial Statements

APPENDIX B

FORM OF OPINION OF BOND COUNSEL

[Form of Opinion of Bond Counsel]

Bass, Berry & Sims PLC
315 Deaderick Street, Suite 2700
Nashville, Tennessee 37238-3001

[to be dated closing date]

We have acted as bond counsel in connection with the issuance by The Metropolitan Government of Nashville and Davidson County (Tennessee) (the "Issuer") of $214,000,000 General Obligation Bonds, Series 2005C, dated the date hereof (the "Bonds"). In such capacity, we have examined the law and such certified proceedings and other documents as we deemed necessary to render this opinion, including, but not limited to, Resolutions Nos. RS2005-954 and RS2005-1019 (together, the "Resolutions") authorizing the issuance and sale of the Bonds. The terms used herein, but not defined herein, shall have the respective meanings given such terms in the Resolutions.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify such facts by independent investigation.

Based on the foregoing, we are of the opinion, as of the date hereof, as follows:

1. The Bonds have been duly authorized, executed and issued in accordance with the constitution and laws of the State of Tennessee and are valid and binding general obligations of the Issuer.

2. The Resolutions authorizing the Bonds have been duly and lawfully adopted, are in full force and effect and are valid and binding agreements of the Issuer enforceable in accordance with their terms.

3. The Bonds constitute general obligations of the Issuer for the payment of which the Issuer has validly and irrevocably pledged its full faith and credit and unlimited taxing power, and the full faith and credit of Metropolitan Government is pledged to the payment thereof.

4. Interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; provided, however, that for purposes of computing the alternative minimum tax imposed on certain corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements could cause interest on the Bonds to be so included in gross income retroactive to the date of issuance of the Bonds. Except as set forth in this paragraph, we express no opinion regarding other federal tax consequences arising with respect to the Bonds.

5. Under existing law, the Bonds and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) inheritance, transfer and estate taxes, (b) Tennessee excise taxes on all or a portion of the interest on the Bonds during the period such Bonds are held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (c) Tennessee franchise taxes by reason of the inclusion of the book value of the Bonds in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the resolution authorizing the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds.

This opinion is given as of the date hereof, and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

Bass, Berry & Sims PLC

APPENDIX C

CONTINUING DISCLOSURE UNDERTAKING

CONTINUING DISCLOSURE

The Metropolitan Government will at the time the Bonds are delivered execute a Continuing Disclosure Certificate under which it will covenant for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the Metropolitan Government by not later than nine months after the end of the fiscal year commencing with the fiscal year ending June 30, 2005 (the "Annual Report"), and to provide notice of the occurrence of certain enumerated events, if determined by the Metropolitan Government to be material under applicable federal securities laws. The Annual Report (and audited financial statements if filed separately) will be filed by the Metropolitan Government with each Nationally Recognized Municipal Securities Information Repository (the "Repositories") and any State Information Depository which may be established in Tennessee (the "SID"). If the Metropolitan Government is unable to provide the Annual Report to the Repositories and the SID, if any, by the date set forth above for the filing of the Annual Report, notice of such failure shall be sent to the Repositories and the SID, if any, on or before such date. The notices of material events will be filed by the Metropolitan Government either with the Repositories or with the Municipal Securities Rulemaking Board and any SID. The specific nature of the information to be contained in the Annual Report or the notices of material events is summarized below. These covenants have been made in order to assist the Purchaser in complying with SEC Rule 15c2-12(b) (the "Rule"). The Metropolitan Government has never failed to comply in all material respects with any previous undertakings with regard to the Rule to provide Annual Reports or notices of Material Events.

Content of Annual Reports. The Metropolitan Government's Annual Report shall contain or incorporate by reference the General Purpose Financial Statements of the Metropolitan Government for the fiscal year, prepared in accordance with generally accepted accounting principles;, provided, however, if the Metropolitan Government's audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained herein, and the audited financial statements shall be filed when available. The Annual Report shall also include in a similar format the following information from the Metropolitan Government's YEARLY INFORMATION STATEMENT.

"PRIORITY CAPITAL PROJECTS PLANNING"

"REVENUES"

"PROPERTY TAXES"

"SUMMARY OF MAJOR FUNDS"

"COMPUTATION OF NET GENERAL OBLIGATION DEBT"

"DEBT RATIOS"

"CALCULATION OF SELF-SUPPORTING DEBT"

"HISTORICAL DEBT RATIOS"

"SUMMARY OF THE UNFUNDED PENSION BENEFIT OBLIGATION OF THE CITY AND METROPOLITAN GOVERNMENT PLANS AND THE BOARD OF EDUCATION PLANS"

Any or all of the items above may be incorporated by reference from other documents, including OFFICIAL STATEMENTS in final form for debt issues of the Metropolitan Government or related public entities, which have been submitted to each of the Repositories or the Securities and Exchange Commission. If the document incorporated by reference is a final OFFICIAL STATEMENT, in final form, it will be available from the Municipal Securities Rulemaking Board. The Metropolitan Government shall clearly identify each such other document so incorporated by reference.

Reporting of Significant Events. The Metropolitan Government will file notice regarding material events either with the Repositories or with the Municipal Securities Rulemaking Board and SID, if any, as follows:

1. Whenever the Metropolitan Government obtains knowledge of the occurrence of a Listed Event (as defined in (3) below), the Metropolitan Government shall as soon as possible determine if such event would be material under applicable Federal securities laws.

2. If the Metropolitan Government determines that knowledge of the occurrence of a Listed Event would be material (under applicable Federal securities laws), the Metropolitan Government shall promptly file a notice of such occurrence either with the Repositories or with the Municipal Securities Rulemaking Board and SID, if any. Notwithstanding the foregoing, notice of Listed Events described in subsection (3)(h) and (i) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds pursuant to the Resolution.

3. The following are the Listed Events:

    a. Principal and interest payment delinquencies;

    b. Non-payment related defaults;

    c. Unscheduled draws on debt service reserves reflecting financial difficulties;

    d. Unscheduled draws on credit enhancements reflecting financial difficulties;

    e. Substitution of credit or liquidity providers, or their failure to perform;

    f. Adverse tax opinions or events affecting the tax-exempt status of the Bonds;

    g. Modifications to rights of security Bondholders;

    h. Bond calls;

    i. Defeasances;

    j. Release, substitution, or sale of property securing repayment of the Bonds; and

    k. Rating changes.

Termination of Reporting Obligation. The Metropolitan Government's obligations under the Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

Amendment; Waiver. Notwithstanding any other provision of the Disclosure Certificate, the Metropolitan Government may amend the Disclosure Certificate, and any provision of the Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions concerning the Annual Report and Reporting of Significant Events it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Resolution for amendments to the Resolution with the consent of Holders, or (ii) does not, in the opinion of the Trustee or nationally recognized bond counsel, materially impair the interests of the Holders or beneficial owners of the Bonds.

In the event of any amendment or waiver of a provision of the Disclosure Certificate, the Metropolitan Government shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Metropolitan Government. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Default. In the event of a failure of the Metropolitan Government to comply with any provision of the Disclosure Certificate, any Bondholder or any Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Metropolitan Government to comply with its obligations under the Disclosure Certificate. A default under the Disclosure Certificate shall not be deemed an event of default, if any, under the Resolution, and the sole remedy under the Disclosure Certificate in the event of any failure of the Metropolitan Government to comply with the Disclosure Certificate shall be an action to compel performance.